



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Kathleen Clarke
Executive Director
Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

May 14, 2002

CERTIFIED RETURN RECEIPT
7099 3400 0016 8896 3854

Robert Hicken
Mountain Valley Stone, Inc.
2276 South Daniels Road
P.O. Box 296
Heber, Utah 84032

Re: Notice of Non-Compliance and Division Directive to Suspend Mining Activities,
Mountain Valley Stone, Inc., Browns Canyon Quarry, M/043/019, Summit County, Utah

Dear Mr. Hicken:

This letter is sent to formally notify you that your Browns Canyon Quarry (M/043/019), is not in compliance with sections of the Utah Mined Land Reclamation Act 40-8-1 et. seq. (Act) and the Minerals Reclamation Program Rules, sections R647-1 through R647-5.

On May 3, 2002, the Division conducted an inspection of the Browns Canyon Quarry (inspection memo attached). During the inspection, it was observed that several portions of the operation were apparently not in compliance with the current Notice of Intention to Commence Small Mining operations, the Proposed Notice of Intention to Commence Large Mining Operations, the Utah Mined Land Reclamation Act, and the Minerals Rules.

Finding of Non-Compliance

1. The Browns Canyon Quarry exceeded five acres of surface disturbance, before receiving Division approval of a Notice of Intention to Commence Large Mining Operations, as required by Title 40-8-13 of the Mined Land Reclamation Act and Minerals Rule R647-3-113.
2. Mountain Valley Stone, Inc. has not posted a form and amount of reclamation surety acceptable to the Division as required under section 40-8-14 of the Act and Rule R647-4-113, before expanding operations beyond the 5-acre small mine disturbance threshold.
3. Mountain Valley Stone, Inc. exceeded five acres of surface disturbance after being advised it is a violation of the Act and Rules to do so without receiving prior approval for a large mining permit from the Division.

4. Mountain Valley Stone, Inc. expanded the disturbed area outside the proposed permit area onto lands that were not identified as part of the proposed large mining operations. Operations have expanded onto lands that are not owned or controlled by Mountain Valley Stone.
5. Mountain Valley Stone, Inc.'s mining activities have resulted in the removal of permit area boundary markers (fence) that previously separated Mountain Valley Stone's operations from an adjacent mining operation (Star Stone Quarries, Inc.'s, Peoa Quarry).
6. Mountain Valley Stone, Inc. has extended the waste dump to the north beyond the proposed limits for the dump and disturbed area as identified in the tentatively approved large mine notice.
7. Mountain Valley Stone, Inc. has failed to salvage and stockpile appropriate soil resources prior to expansion of the waste dump to the north.

Location of Non-Compliance

The Mine is located in the Southwest 1/4 of Section 20, Township 1 South, Range 5 East, SLBM, Summit County, Utah.

Mitigation Requirements

1. Mountain Valley Stone, Inc. ***must submit an acceptable reclamation surety*** to the Division in the amount of \$55,400.00 within thirty (30) days of your receipt of this Notice of Non-Compliance. This surety amount is based on the Division's reclamation cost estimate (copy attached) for the tentatively approved Large Mining Notice. Please contact Joelle Burns at (801) 538-5291 for the appropriate surety forms.
2. Mountain Valley Stone, Inc. is hereby directed to ***immediately suspend all mining operations and removal of material*** from the Browns Canyon Quarry until the reclamation surety is received and formally accepted in writing by the Division.
3. Within ten (10) days of receipt of this Notice, Mountain Valley Stone, Inc, shall re-establish permanent markers along the property line between itself and Star Stone Quarries, Inc. located to the east of the Browns' Canyon Quarry.
4. Within 30 days of this notice, Mountain Valley Stone, Inc. shall obtain and stockpile sufficient soil materials suitable for reclamation to replace those soil resources that were not salvaged and stockpiled prior to surface disturbances. If soil resources are located on site and can be protected from disturbance, they would not need to be stockpiled.

Page 3
Robert Hicken
M/043/019
May 14, 2002

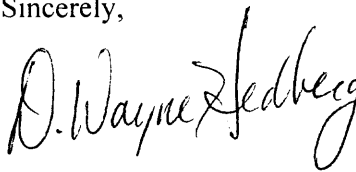
5. Within 14 days of receipt of this notice, Mountain Valley Stone, Inc. shall submit a permit amendment/revision to include all areas disturbed outside the current proposed permit area (including any proposed soil borrow areas). This may require an adjustment in the reclamation surety as well.
6. Within 30 days of receipt of this notice, Mountain Valley Stone, Inc. shall clearly mark the perimeter of the proposed permit area with t-posts or other suitable markers.

Consequences of Continued Non-Compliance

1. Mountain Valley Stone, Inc.'s failure to comply with these mitigation requirements within the time frames specified in this Notice will result in the issuance of a formal Notice of Agency Action. The Notice of Agency Action may require you to appear at a formal hearing before the Board of Oil, Gas and Mining. Following public notice and Hearing, the Board will issue an abatement or compliance Order which may require: suspension or termination of all mining operations, immediate reclamation of all mining-related disturbances, and/or other lawful requirements as authorized under the Act.

If you wish to contest this Notice of Non-Compliance, you may contact the Division to schedule an informal meeting before the Division's Associate Director. Please contact Vickie Southwick, Executive Secretary, at (801) 538-5304, within 10 days of your receipt of this notice, if you choose to arrange an informal meeting. If you have any questions regarding this Notice you may contact me at (801) 538-5306, Wayne Hedberg at (801) 538-5286, or Lynn Kunzler at (801) 538-5310.

Sincerely,


for Mary Ann Wright,
Associate Director, Mining

jb

Attachments: Inspection Memo, Surety cost estimate

cc: Wayne Hedberg, DOGM

O:\M043-Summit\M043019-Browns Canyon\non-compliance\nonc-05062002.doc

Page 4
Robert Hicken
M/043/019
May 14, 2002

Supplemental Information – Notice of Non-Compliance

Mountain Valley Stone, Inc.
Browns Canyon Quarry
M/043/019

On November 2, 1995, the Division received and accepted a Notice of Intention to Commence Small Mining Operations for the Brown's Canyon Quarry from Mr. Jon Young. In the Division's acceptance letter, it stated, "Should you wish to expand your operations beyond the five (5) acre limitation, please notify this office as soon as possible to discuss the necessary permitting requirements." On June 17, 1999, Mr. Young notified the Division that this site was now under a corporation (Young Stone Supply, with Robert Hicken and Paul Ballif as partners.).

On September 15, 1999, the Division inspected the Browns Canyon Quarry. Using a GPS data logger, the disturbed area was estimated at 5.1 acres. The operator was notified in writing on October 12, 1999, that no additional disturbance was authorized without first reclaiming a portion equal to or greater than the anticipated expansion, or submitting and *receiving approval* of a Notice of Intention to Commence Large Mining Operations. On January 22, 2001, the Division received a Notice of Intention to Commence Large Mining Operations. The Notice received tentative approval on April 17, 2002.

DOCUMENT TRACKING SHEET

USE THIS SHEET WHEN ITEM (S) SHOULD BE SCANNED TO SEVERAL PLACES, SUCH AS A BOND RELEASE FOR AN OUTGOING LETTER. THE LETTER WILL GO IN OUTGOING WITH THIS SHEET BEHIND IT REFERENCEING THE BOND RELEASE FINDINGS IS IN INTERNAL AND THE RECORD # IS ____.

PERMIT APPROVAL LETTERS WITH ATTACHMENTS USE THE DOCUMENT TRACKING SHEET FOR NOI

THE Signed CRP (what) ATTACHEMENT CAN BE FOUND IN
02 (year) Incoming (folder) AS RECORD # 0012

THE Site Inspection (what is it) ATTACHEMENT CAN BE FOUND IN
02 (year) Outgoing (folder) AS RECORD # 0006

THE Surety Estimate (what is it) ATTACHEMENT CAN BE FOUND IN
02 (year) Internal (folder) AS RECORD # 0001

THE _____ (what is it) ATTACHEMENT CAN BE FOUND IN
____ (year) _____ (folder) AS RECORD # _____

THE _____ (what is it) ATTACHEMENT CAN BE FOUND IN
____ (year) _____ (folder) AS RECORD # _____